



ABN 55 063 613 730
Ground Floor
229 Stirling Highway
CLAREMONT 6010
WESTERN AUSTRALIA
Telephone: + 61 8 9286 4600
Facsimile: + 61 8 9284 6588
Email: admin@empireoil.com.au
Web: www.empireoil.com.au

2 September 2015

The Manager
Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY
NSW 2000

Investor Presentation

Please find attached an Empire Oil & Gas NL (ASX: EGO) ASX announcement containing an investor presentation.

Yours sincerely
For Empire Oil & Gas NL

Rachel Rees
Company Secretary

Media

For further information, contact:
Paul Armstrong
Read Corporate
08 9388 1474/0421 619 084

Good Oil Conference Presentation

September 2015

Building a NEW Empire in the Perth Basin

Ken Aitken, CEO
2nd September 2015



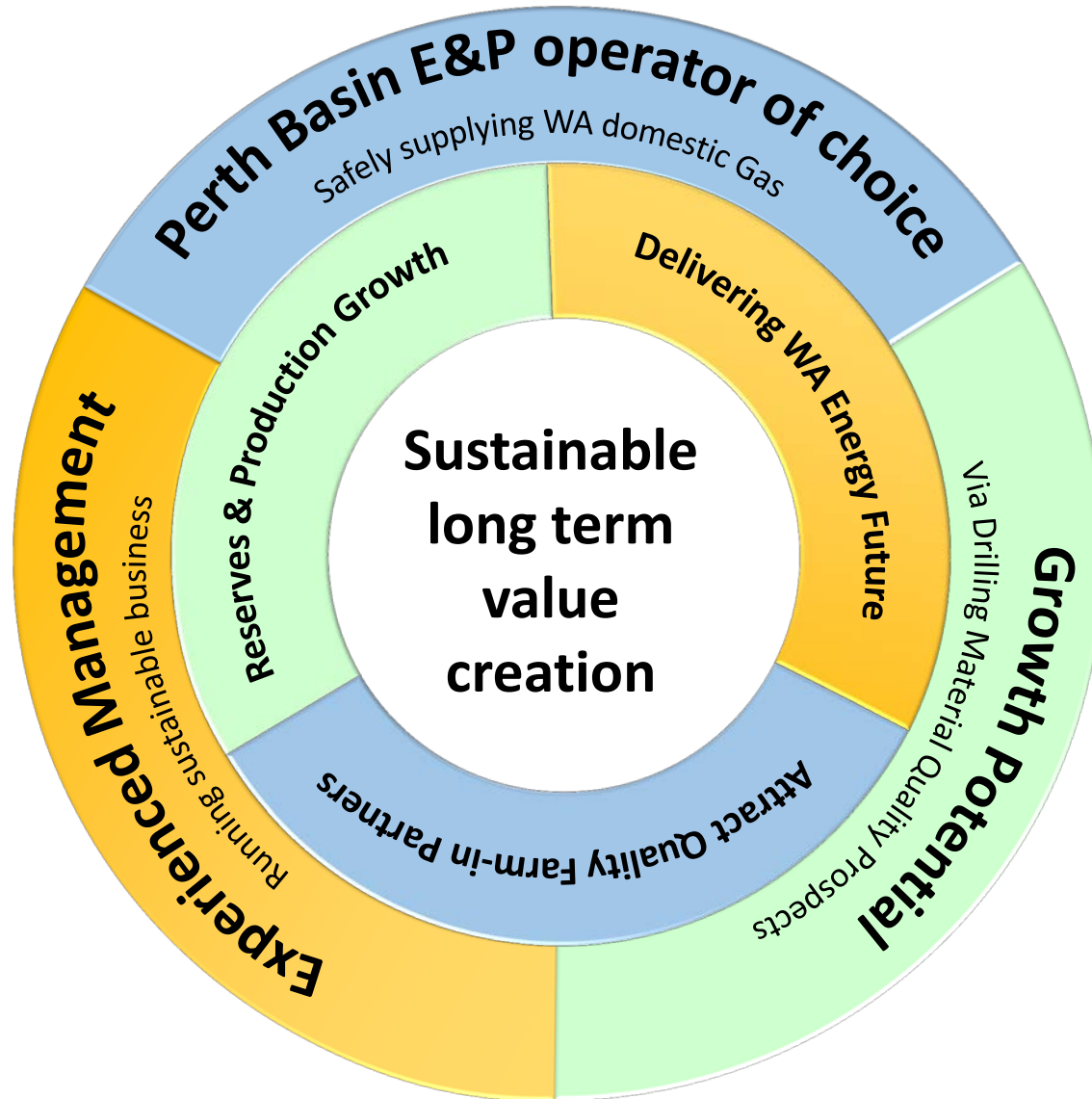
EMPIRE OIL & GAS NL



Disclaimer and Competent Person's Statement

- This presentation has been prepared by Empire Oil and Gas NL [EGO] for general information purposes only. This presentation may contain certain forward-looking statements which have not been based solely on historical facts but rather on EGO's current expectations about future events and a number of assumptions which are subject to significant uncertainties and contingencies, many of which are outside the control of EGO and its Directors, Officers and Advisers. Due care and attention has been taken in the preparation of this presentation.
- However, the information contained in this presentation [other than as specifically stated] has not been independently verified for EGO or its Directors and Officers, nor has it been audited. Accordingly, the Company does not warrant or represent that the information contained in this presentation is accurate or complete. To the fullest extent permitted by law, no liability, however arising, will be accepted by EGO or its Directors, Officers or Advisers, for the fairness, accuracy or completeness of the information contained in the presentation.
- Information on the Reserves and Resources in this release relating to the L18, L19 and EP389 assets is based on an independent review and audit conducted by RISC Operations Pty Ltd (RISC), a leading oil and gas industry advisory firm. RISC is independent with respect to Empire Oil & Gas NL in accordance with the Valmin Code, ASX listing rules and ASIC requirements. The review and audit was carried out in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines under the supervision of Mr. Geoffrey J Barker, a Partner of RISC. Mr. Barker is a member of the SPE and his qualifications include a Master of Engineering Science (Petroleum Engineering) from Sydney University and more than 30 years of relevant experience. Mr. Barker meets the requirements of qualified petroleum reserve and resource evaluator in accordance with ASX listing rules and consents to the inclusion of this information in this report which fairly represents the information and supporting documentation reviewed.

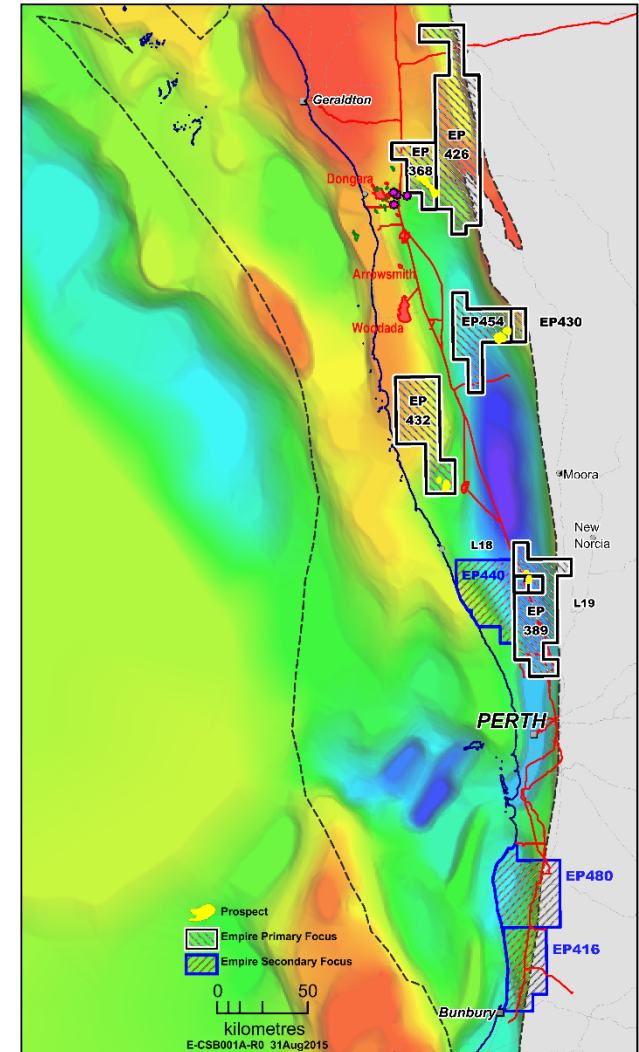
Strategy



Empire – A Perth Basin focused producer

- 100% of the profitable Red Gully production hub in production license's L18/19 and associated infrastructure,
 - Closest hydrocarbon producer to Perth
 - Excellent access and infrastructure
- Largest acreage holder in the Perth Basin – 10,311 km²
 - Operator of majority of permits
- Significant exploration potential in underexplored, proven petroleum system
 - Close to pipeline infrastructure
 - Rapid commercialisation opportunities

| Market Information | | Board & Officers | |
|-----------------------|----------|------------------|--------------|
| Shares on issue | 10,205m | Tony Iannello | Chairman |
| Share Price | \$0.004 | Stuart Brown | NED |
| Market Capitalisation | \$40.82m | Phil Garratt | NED |
| 52 week low | \$0.0040 | Ken Aitken | CEO |
| 52 week high | \$0.0080 | Rachel Rees | CFO & Co Sec |



Achievements over the last 12 months



Red Gully (RG) Production Reserves

- ✓ 2 years without a Lost Time Incident (LTI) at RG plant
- ✓ RG production optimised and plant uptime at 96%
- ✓ 30% reduction in RG operation costs
- ✓ Two reserve upgrades of Red Gully B Sand since ERM transaction
 - ✓ IP gas reserves up 78.2%
 - ✓ 2P gas reserves up 64%
 - ✓ 1P condensate reserves up 32.2%
 - ✓ 2P condensate reserves up 17.3%

Exploration

- ✓ Perth Basin tenements now in good standing with DMP
- ✓ Manageable drilling commitments
- ✓ Completed Black Swan survey on time and budget
- ✓ Portfolio rationalised :
 - ✓ Exited from Carnarvon
 - ✓ Farm-out South Perth
 - ✓ Increased exposure/focus on North Perth Basin
- ✓ Identified low risk Red Gully North -1 – drill Q4 2015
- ✓ Matured 2 high impact prospects for drilling 16/17

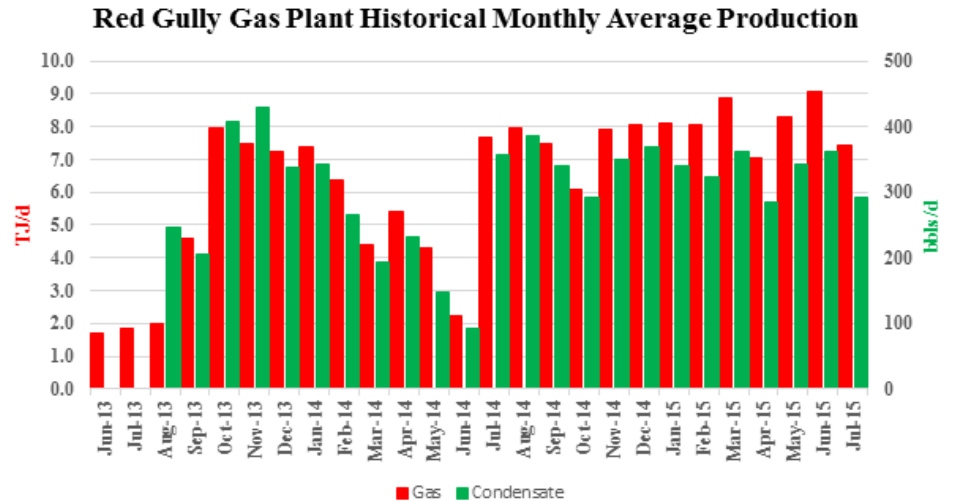
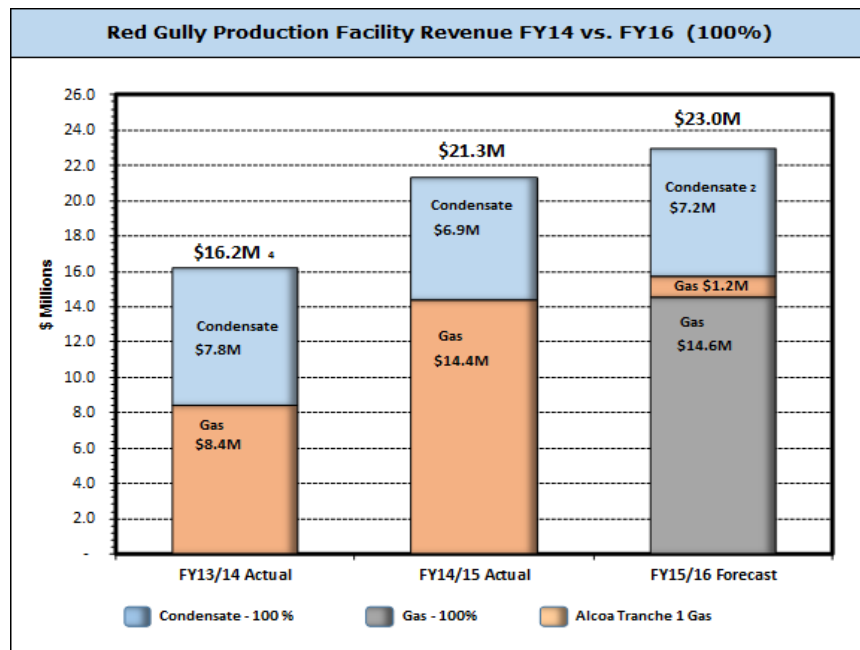
Corporate/Finance

- ✓ Built highly experienced Perth Basin team
- ✓ Acquired 100% interest in RG plant
- ✓ Recapitalisation complete via \$15.7 mill capital raising – April 2015
- ✓ Business delivered maiden profit in 2014/15 FY
- ✓ Red Gully gas plant paid off.
- ✓ Alcoa GSA Tranche 1 obligation fulfilled. Tranche 2 commenced ahead of schedule- now receiving 100% of gas and condensate revenue

Red Gully Financial Performance



- FY 14/15 average gross Gas production = 7.9TJ/day
- FY 14/15 average gross Condensate production = 342.4 Barrels/day
- Revenue from sale of gas used to offset Alcoa prepayments until 31 July 2015 when Tranche-1 was complete



- 1H FY15 revenue of \$12.2m¹
- 1H FY15 EBITDAX³ of \$8.4m¹
- Unit cost reduction of 30% in 2H FY15 versus 1H FY15
- Forecast of \$23 million in revenue for FY15/16
- 31% increase in revenue in FY14/15 compared with FY13/14

¹ 1H FY15 refers to the six months to 31 December 2014. EBITDAX did not represent operating surplus cashflow as sales of gas to Alcoa were offset against gas prepayments

² Estimated condensate revenue is based on variable inputs (\$US Brent oil price & AUD FX rate) which are currently not hedged.

³ EBITDAX = Earnings before interest, tax, depreciation, amortisation and exchange rate. ⁴ Excludes commissioning period revenue.

Red Gully Hub - Gas/Condensate + LPG?



Red Gully

Condensate to BP
Kwinana

Gas Transported Via
DBP pipeline to
Alcoa

Potential to
increase production
capacity and add
LPG stripping



Production

- Plant capacity ~10TJ/day
- Red Gully-1 well producing ~ 8TJ/day since B Sand online
- Gingin West-1, back-up well
- Legacy issues addressed
- Plant uptime 96% (excluding planned downtime)
- Space for plant expansion - owner of 168 acres of land
- Operating costs reduced by 30% over FY14/15



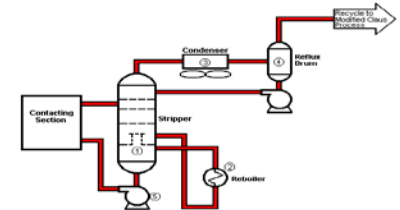
Condensate

- Condensate sales contract with BP
- Closest oil/gas facility to City of Perth
- Lower transportation costs
- 150km all bitumen road to BP Kwinana refinery
- ~ 300 barrels of condensate per day



Gas Export

- JV own ~ 2km pipeline connecting to DBP
- Long term relationship with gas customer Alcoa
- 1st tranche of gas repaid Alcoa \$25m prepayment in July 2015
- 2nd tranche of Alcoa GSA priced to reflect removal of prepayment risk and CPI increases
- Pipeline provides access to multiple customers and strong gas market



Production Hub Potential

- 4 exploration prospects within 4 km radius
- Plant expansion subject to finding economic reserves
- Plant not initially designed to process LPG
- 12 tonnes per day of LPG (Autogas Propane/Butane) value not being realised
- Local auto gas market in Perth
- LPG development based on project economics after Red Gully North success

Red Gully – July 2015 Reserves Upgrade



- RISC independent reserve study released in July 2015 after 12 months of steady B Sand production
- 1P gas reserve up 64% to 12.29PJ at 1 July 2015
- 2P gas reserves up 30% to 17.48PJ at 1 July 2015
- 1P condensate reserves up 29% to 379mbbls at 1 July 2015
- The proven reserve upgrade underpins Tranche 2 (~10 PJ gas) of the Alcoa GSA with approximately 2PJ uncontracted. Gas Marketing of the 2PJ has commenced.
- The increased reserves has the potential to increase field life by 2 years

| | **January 2015 RISC Assessment | | | *July 2015 RISC Assessment | | |
|---------------------------|--------------------------------|--------------|-------|----------------------------|--------------|-------|
| Reserves | 1P | 2P | 3P | 1P | 2P | 3P |
| Red Gully Sales Gas PJ | 8.39 | 14.65 | 17.22 | 12.29 | 17.48 | 21.22 |
| Red Gully Condensate Mstb | 340.0 | 561.5 | 621.0 | 379.1 | 544.1 | 660.5 |
| Resources | 1C | 2C | 3C | 1C | 2C | 3C |
| Red Gully Sales Gas PJ | 0.25 | 1.11 | 7.56 | 4.05 | 5.18 | 6.2 |
| Red Gully Condensate Mstb | 13.1 | 53.2 | 273.9 | 100.1 | 145.0 | 193.9 |

Note:

1. Red Gully comprises the B and D Sand reserves discovered by the Red Gully-1 Well

2. The reference point for gas is the outlet of the Red Gully gas plant metering facility and the storage tank for stabilized condensate at conditions of 14.7 psia and 60 deg F.

3. Probabilistic and deterministic evaluation methods have been used.

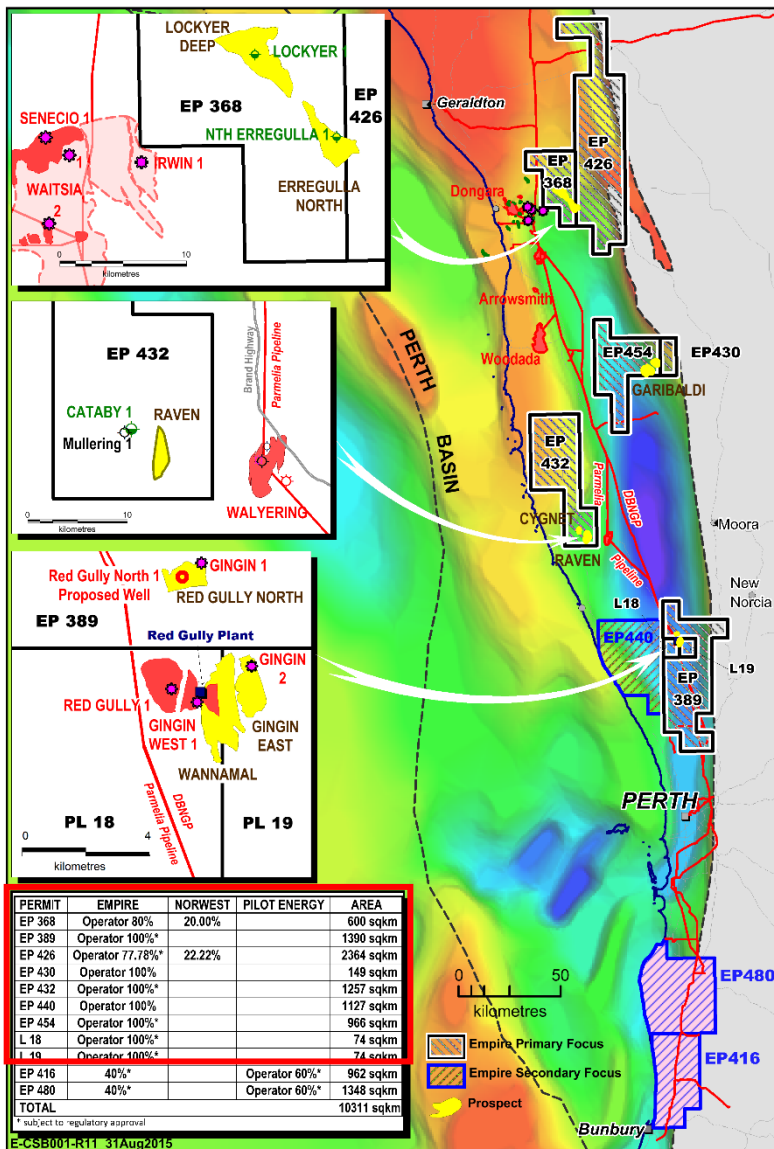
* Ref RISC July 2015 Independent Reserve Evaluation Report

** Ref RISC January 2015 Independent Resource Evaluation Report



EMPIRE OIL & GAS NL

Exploration Strategy



Strategy to establish 2nd Production Hub

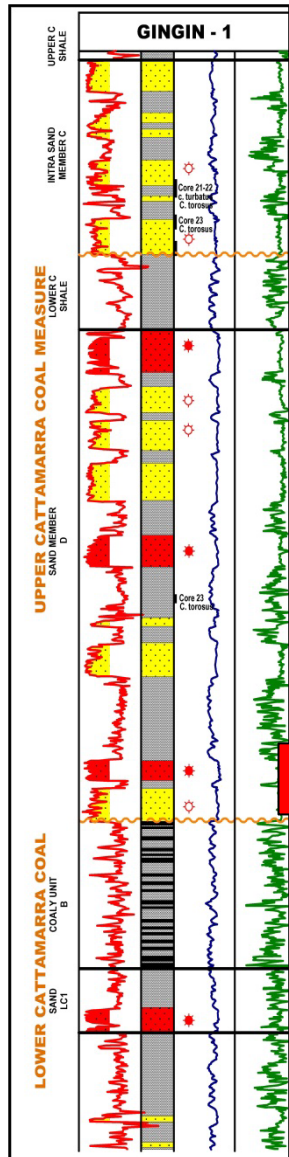
- **Sharpened focus on the North Perth Basin**
- Seeking quality farm-in partners for transformational drilling program in 2016/2017
- Farmed down South Perth Basin - EP480 & EP416
- Matured 3 high impact prospects – drilling near term:-
 - EP389 Red Gully North-1 (RGN-1)
 - Testing 1960's gas discovery, 4km to plant
 - Lockyer Deep in EP368
 - High impact Kingia gas play
 - East of recent AWE Waitsia discovery
 - Appraising previously discovered oil in Dongara/Wagina
 - Raven in EP432
 - High impact Jurassic oil play
 - Targeting large structure down-dip of discovered oil (Cataby-1)

- ## Red Gully North (Previously Gingin Updip)

- ## Gingin East

- [illegible]

Red Gully North-1 – Low risk exploration



Combined total Flow
16.6 mmcf/d

DST 19 - 2.38 mmcf/d

DST 13 - 3.8 mmcf/d

DST 10 - 2.6 mmcf/d

DST 8 - 3.61 mmcf/d

DST 19 4.25 mmcf/d

Gingin-1 – 1965 wet gas discovery

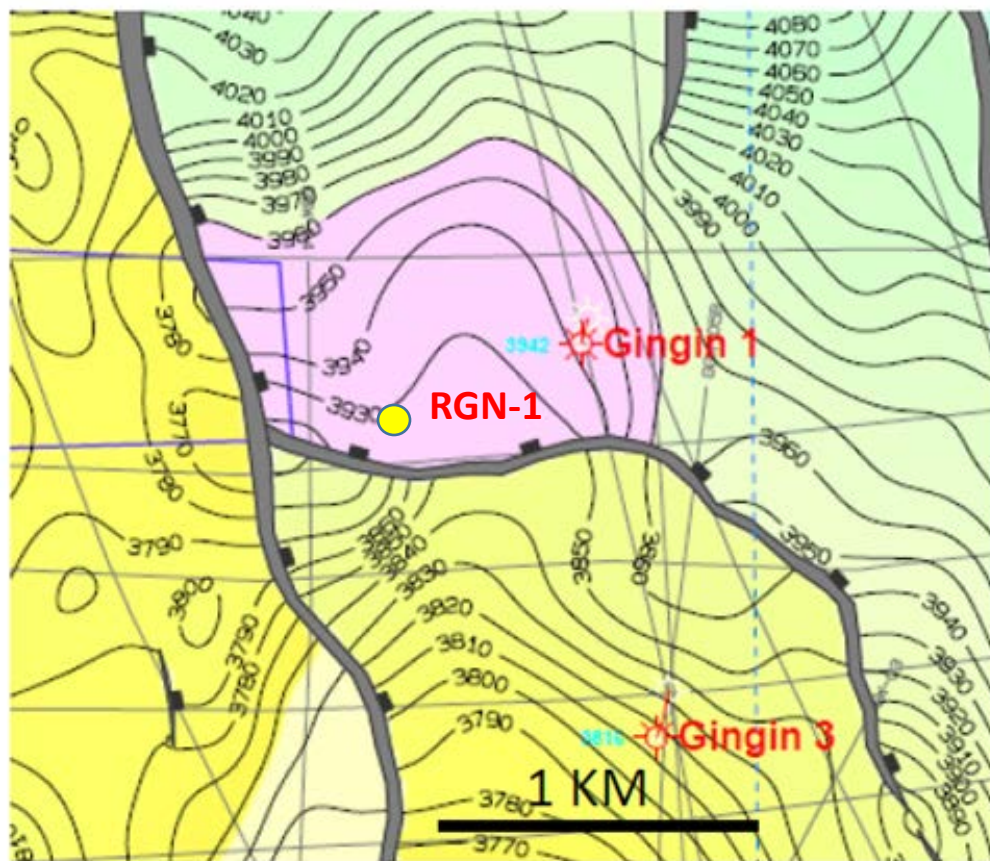
- Combined flow 16 mmcf/d plus condensate
- Old well-drilled 50 Years ago
- Old technology
- Heavy mud used
- Poor engineering practises
- Poor completion

Significant untested bypassed potential remains.

- Exploration well planned for mid Q4 2015
- 470m from Gingin-1 discovery
- 4 km from Red Gully plant

With modern technology additional potential exists in the other sands which encountered gas but failed to flow.

Red Gully North- 1 – Updip test of known gas discovery




Structure Map at LC1 Reservoir Level

| Gingin Field Contingent Resources ¹ | 1C | 2C | 3C |
|--|-----|-----|------|
| Sales Gas (PJ) | 4.0 | 7.9 | 13.7 |
| Condensate (Mbbl) | 50 | 90 | 160 |

(Note ¹ – Probabilistic methods have been used)

| Gingin Field Prospective Resources ¹ | 1C | 2C | 3C |
|---|-----|-----|-----|
| Sales Gas (PJ) | 2.4 | 4.9 | 9.0 |
| Condensate (Mbbl) | 30 | 60 | 110 |

(Note ¹ – Probabilistic methods have been used)

 Red Gully North-1 Proposed location

Red Gully North-1 - Drilling Plans



People and Contracts

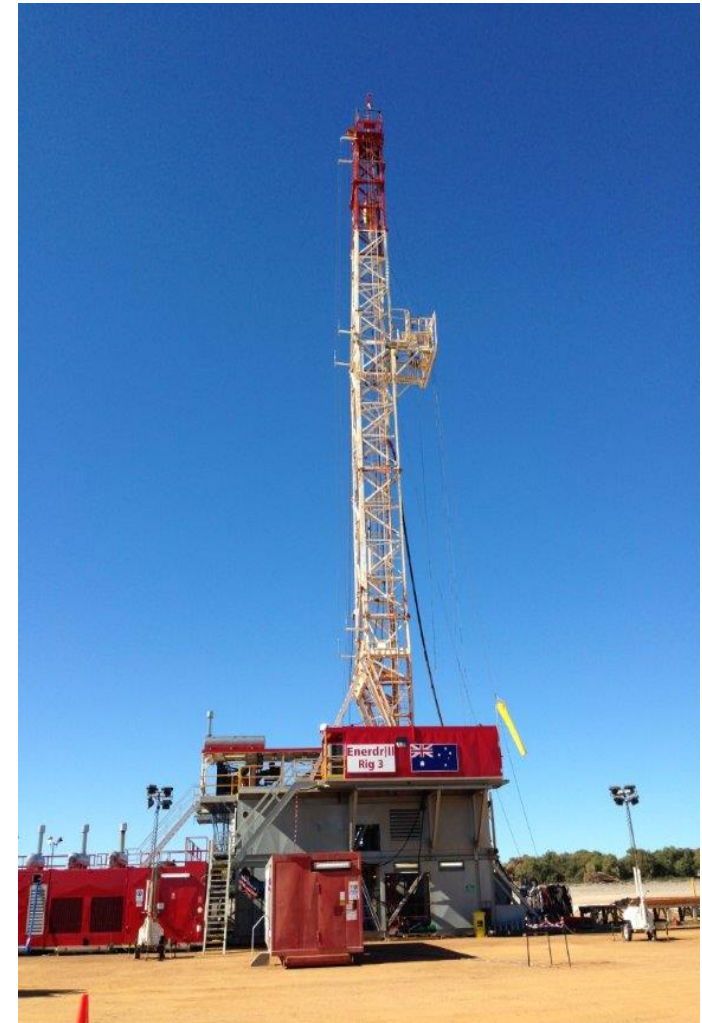
- Experienced Perth Basin drilling team established
- Drilling contract signed Q1 2015 with WA based drilling contractor Enerdrill.
 - Rig 3(pictured) to drill RGN-1
 - Contract for 1 firm well and four optional wells in 2016
- Rig and project contract services tendered to leverage the potential cost savings in the depressed oil and gas services market

Regulatory and land access approvals

- Regulatory approval applications submitted
- Land access agreement signed

Timing

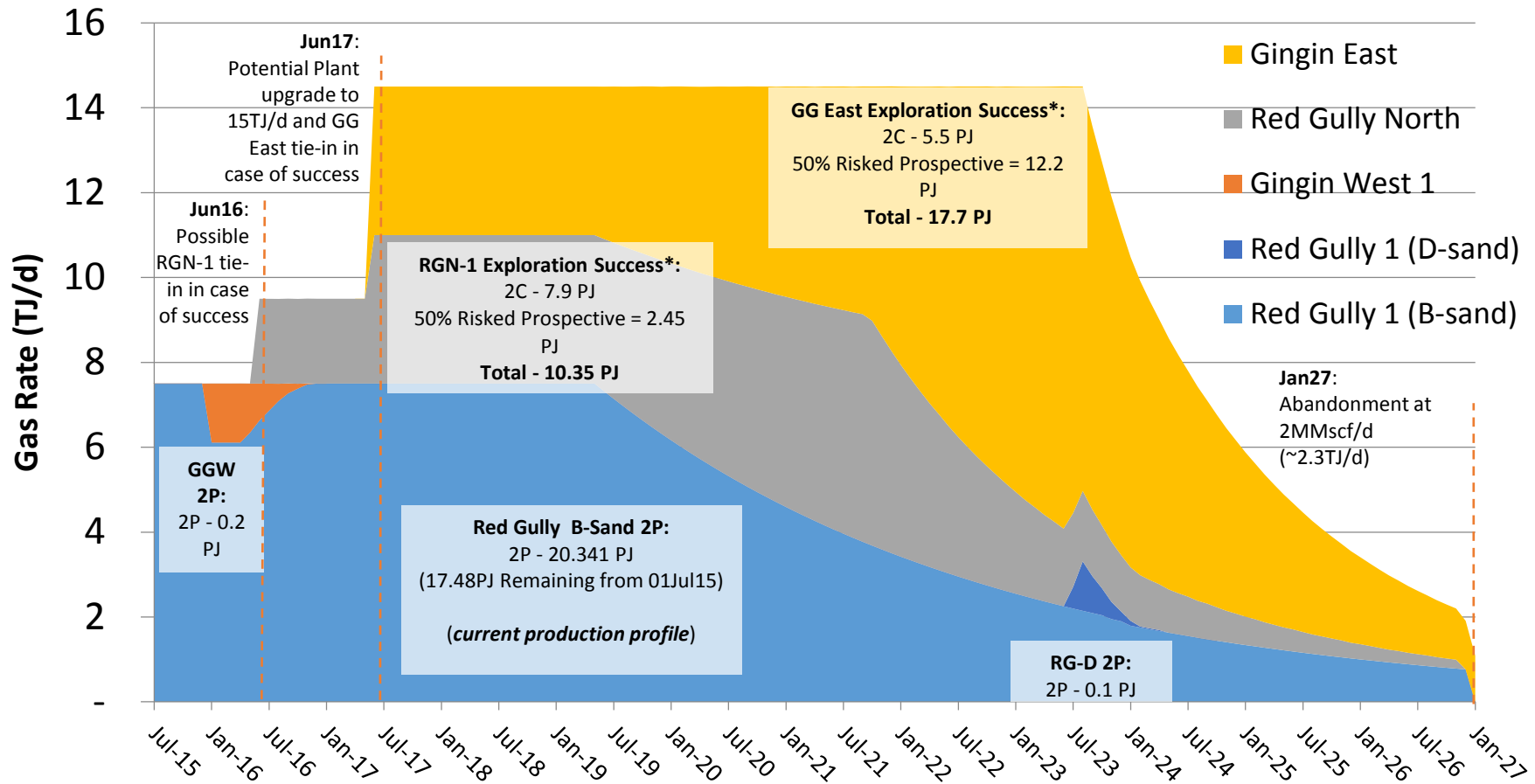
- Project proceeding to plan.
- Planning to spud well in mid Q4 2015 subject to other operators programs and regulatory approvals.
- Completion and Testing planning underway.



Red Gully Production Hub Potential



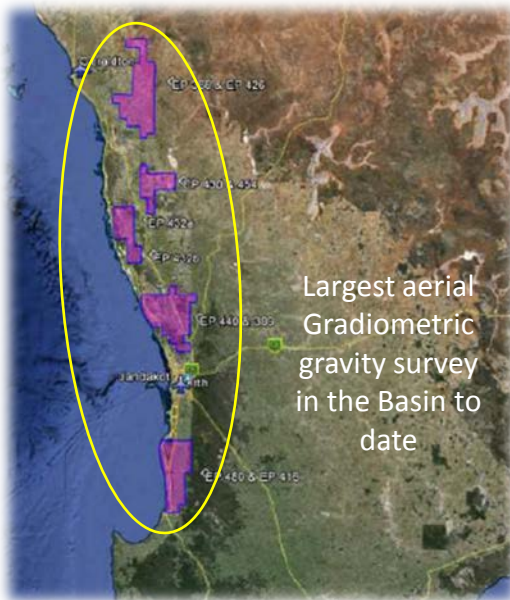
Red Gully Production Hub Potential



* Contingent on success and determination of discovered volumes



Building the prospect inventory



- Black Swan Airborne Geophysical Survey completed 30 May 15
 - ahead of schedule
 - on budget
 - without incident
- Largest survey of its type in the Perth Basin
- Acquired 12,776 line km of data
- Provides detailed coverage of all of Empire's acreage
- Processing completed, interpretation underway
- Seismic reprocessing of old 2D data underway
- Aim is to accelerate exploration of all Empire acreage
- Helps to build a richer lead and prospect inventory
- Allows Empire to maximise farm-out value and terms
- Interpretation and integration to sub surface to be complete in Q4 2015

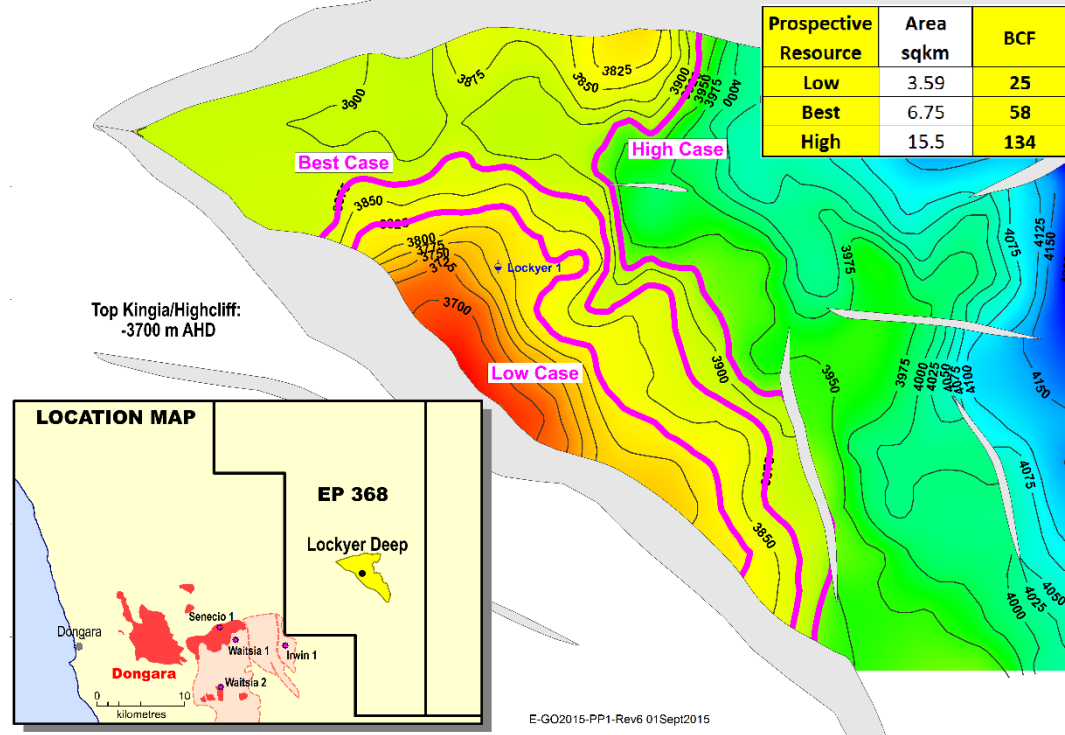


Lockyer Deep Prospect

- Targets 25-134, mid/best case 58 BCF
- Medium risk high impact well
- Targeting the Kingia/High Cliff play confirmed by AWE's Waitsia discovery
- Immediate follow-up potential at North Erregulla
- This exciting play remains untested East of the AWE wells (Waitsia/Irwin)
- Attractive secondary oil target appraising discovered oil in Dongara sandstone at Lockyer-1
- Drilling mid 2016 subject to funding
- Contingent rig slot secured

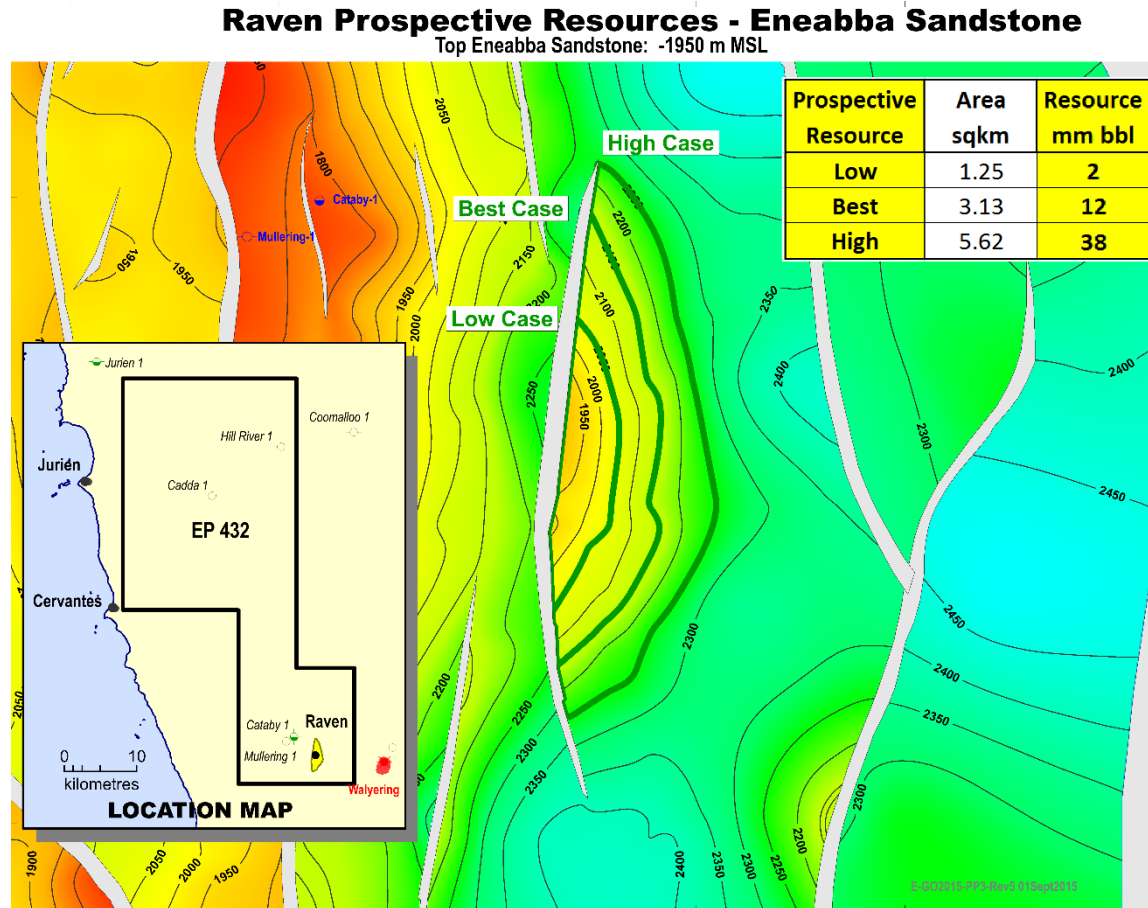
Lockyer Deep Prospective Resources - Kingia/Highcliff

Secondary targets: Hovea Member; Dongara Sandstone; Cariginyia Fm

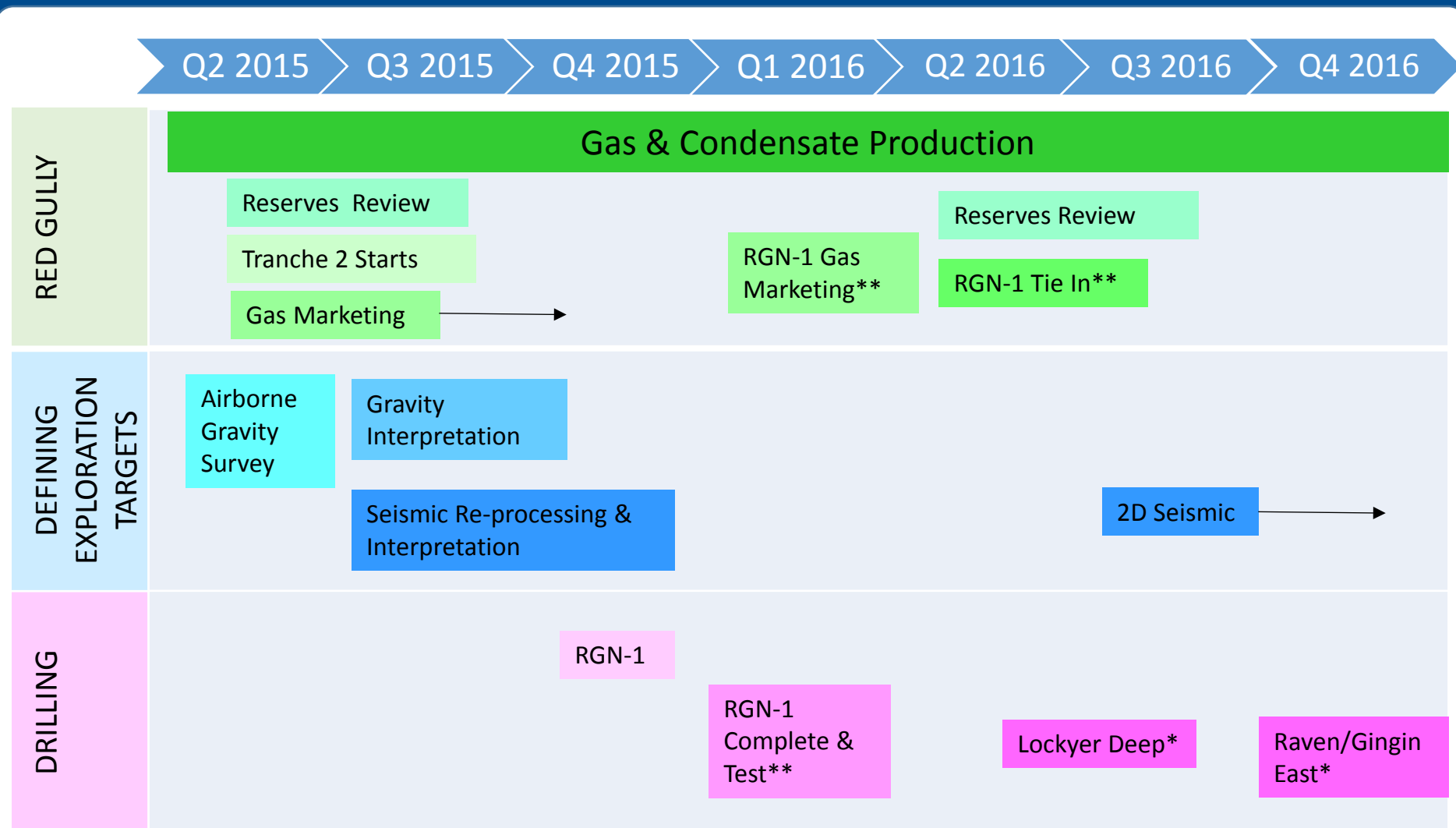


Raven Oil Exploration Prospect

- Targeting Jurassic sands down-dip of known oil (Cataby-1)
- Will test a large fault block adjacent to Jurassic source kitchen
- Medium risk high impact well
- Targeting 12 million barrels (mid/best case)
- Success will open up a new Jurassic oil play
- Planning to drill in late 2016/2017 subject to funding
- Contingent rig slot secured



2015/2016 Indicative Timeline



*Lockyer Deep , Raven and Gingin East subject to funding and regulatory approvals

** Subject to successful results of RGN-1 and reserves determination



EMPIRE OIL & GAS NL

Empire value drivers



- **Two pronged growth strategy in the Perth Basin**
 - 1) Prove up additional reserves close to the Red Gully plant to expand or extend the high value production hub.
 - 2) Create another high value production hub via successful exploration on the matured exploration prospects in our highly prospective acreage
- **Perth Basin Competitive Position**
 - 1) Close to infrastructure and key gas markets
 - 2) Rapid Commercialisation of exploration discoveries



**A profitable, well funded hydrocarbon producer
unlocking the potential of the Perth Basin**

